DAVID Y. IGE GOVERNOR OF HAWAII





CARTY S. CHANG INTERIM CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

DANIEL S. QUINN
INTERIM FIRST DEPUTY

W. ROY HARDY

ACTING DEPUTY DIRECTOR -

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of CARTY S. CHANG Interim Chairperson

Before the House Committees on WATER & LAND and OCEAN, MARINE RESOURCES & HAWAIIAN AFFAIRS

Friday, March 27, 2015 10:30 AM State Capitol, Room 325

In consideration of
HOUSE CONCURRENT RESOLUTION 5
AUTHORIZING THE ISSUANCE OF A TERM LEASE AND NON-EXCLUSIVE
EASEMENT FOR PIER PILINGS ENCROACHMENT PURPOSES AT PULAWAI, ON
THE ISLAND OF LANAI

House Concurrent Resolution 5 requests the authorization to issue a term lease of fifty-five years and non-exclusive easement for an estimated 585 square feet, more or less, 1 located seaward of Tax Map Key: (2) 4-9-017:002, at Pulawai, Lanai, for pier pilings encroachment purposes, pursuant to Section 171-53, Hawaii Revised Statutes (HRS). **The Department of Land and Natural Resources ("Department") supports this concurrent resolution.**

The current owner of the abutting property, Lanai Resorts, LLC, dba Pulama Lanai, worked with the Department to resolve the encroachment. The encroachment was identified on state lands located makai of the shoreline and such area should be considered as submerged lands. As required by Section 171-53, HRS, the Board of Land and Natural Resources ("Board") may lease submerged lands "with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution". At its meeting on June 13, 2014, under agenda item D-11, the Board approved the issuance of a term, non-exclusive easement for purposes stated above.

The grantee shall pay the State the fair market value of the easement as consideration for the use of public lands. The amount of consideration shall be determined by an independent appraisal.

¹ The easement area is subject to review and confirmation by the State Surveyor.



Testimony for Committee on Water & Land Committee on Ocean, Marine Resources, & Hawaiian Affairs Friday, March 27, 2015, 10:30 a.m., Room 325

Representative Ryan I. Yamane, Chair Representative Ty J.K. Cullen, Vice-Chair

Representative Kaniela Ing, Chair Representative Nicole E. Lowen, Vice Chair

HCR 5 AUTHORIZING THE ISSUANCE OF A TERM LEASE AND NON-EXCLUSIVE EASEMENT FOR PIER PILINGS ENCROACHMENT PURPOSES AT PULAWAI, ON THE ISLAND OF LĀNA'I

Dear Chairs Yamane and Ing, and Members of the Committees:

This letter is in **STRONG SUPPORT** of HCR 5 which authorizes a 55 year term lease and non-exclusive easement for the pier pilings on Lāna'i. The pier pilings are the remnants of the cattle chute constructed in the early McCrory, Senior Vice President of Government Affairs for Pūlama lanai. Pūlama Lāna'i is the entity that has been set up to manage the assets and to work with the community and government as we move the island of Lāna'i toward sustainability.

The pier pilings are a State Historic Preservation Division (SHPD) site, #1522, and are the last remnants of what once was a cattle ranching operation that ended in the 1950's. The Office of Conservation and Coastal Lands (OCCL) confirmed that the pier piling remnants are non-conforming use and no further permits were needed from OCCL. The options were to remove the pier pilings or apply for the easement. Pūlama Lāna'i prefers to retain the pier pilings because of their historical significance. We held a community meeting on this subject and the community submitted testimony in support of the easement to the Board of Land and Natural Resources.

All documents have been submitted to the Land Division to finalize the easement. As we do not have confirmation from the State Surveyor that the square footage listed in the resolution is correct, we ask that you amend the Resolution as follows:

- First WHEREAS, "...island of Lāna'i, occupy <u>approximately</u> 585 square feet, <u>more or less, subject to confirmation by the Department of Accounting and General Services</u>, of parcel 002..."
- First BE IT RESOLVED, "...non-exclusive easement for <u>approximately</u> 585 square feet, <u>subject to</u> <u>confirmation by the Department of Accounting and General Services</u>, seaward of parcel 002..."

We humbly ask that you support HCR 5 with the amendment shown above. Mahalo!

Me ke aloha pumehana With warm aloha,

Lynn P. McCrory
Senior Vice President of Government Affairs